Congress of the United States

Washington, DC 20515

November 15, 2004

The Honorable Dennis Hastert Speaker, House of Representatives H-232, the Capitol Washington, DC 20515 The Honorable Nancy Pelosi Minority Leader, House of Representatives H-204, the Capitol Washington, DC 20515

Dear Speaker Hastert and Minority Leader Pelosi:

As the House Appropriations Committee begins its work on the Fiscal Year (FY) 2005 Department of Interior and Related Agencies Appropriations Conference Report, we wish to draw your attention to an item of vital importance to the hundreds of rural counties we represent.

As you know, the Payment in Lieu of Taxes (PILT) program provides payments to counties and other local governments to offset losses in tax revenues due to the presence of substantial acreage of federal land in their jurisdictions. Since local governments are unable to tax the property values or products derived from federal lands, these payments are essential to support vital community services such as schools, firefighting, police protection, transportation infrastructure, and providing healthcare in rural communities. This program is extremely important to our rural communities because the vast majority of federal lands are located in rural and western America.

We are deeply aware of the limitations presented by our current fiscal situation. Indeed, it is important to note that many of us have supported offsets in Interior and Related Agency spending to pay for PILT increases. However, we remain firm in our belief that the federal government has a responsibility to help support local governments in areas where the federal government owns land, thereby denying it to the local tax base.

For these reasons, we respectfully request that you explore ways to bring the PILT program as close to its fully authorized funding level as possible. Doing so will demonstrate a commitment to the local communities and counties that depend on these funds, and begin the long-overdue process of fairly and accurately compensating local governments that have federal lands within their boundaries.

Thank you for your consideration of this important request.

Sincerely,



Sarbara Culin Congresswoman Barbara Cubin	Congressman Mike Simpson
Mark Udall Congressman Mark Udall	Congressman Wally Herger
E/A Ally Congressman Elton Gallegly	Congressman Aníbal Acevedo-Vilá
Gace J. Nopolitano Congresswoman Grace Napolitano	Congressman Rob Bishop
Congressman Joel Heffey	Buil Buil Congressman Brian Baird
Congressman Rick Larsen	Congressman Denny Rehberg
Congressman Greg Walden	Madeleine 2 Bordella Gongresswoman Madeleine Bordallo
Congressman Doug Ose	Congressman Tom Udall

